

VZCZCXYZ0000
RR RUEHWEB

DE RUEHG #1065/01 2852032
ZNY CCCCC ZZH
R 122032Z OCT 06
FM AMEMBASSY GEORGETOWN
TO RUEHC/SECSTATE WASHDC 4239
INFO RUCNCOM/EC CARICOM COLLECTIVE
RUEHCV/AMEMBASSY CARACAS 0417
RUEHLO/AMEMBASSY LONDON 0179
RUEHOT/AMEMBASSY OTTAWA 2207
RUEHBS/USEU BRUSSELS
RUCNDT/USMISSION USUN NEW YORK 0121
RUMIAAA/HQ USSOUTHCOM J2 MIAMI FL

C O N F I D E N T I A L GEORGETOWN 001065

SIPDIS

SOUTHCOM ALSO FOR POLAD
SIPDIS

E.O. 12958: DECL: 10/12/2016

TAGS: PGOV KDEM GY

SUBJECT: SCENESETTER FOR AMBASSADOR MAISTO,S OCTOBER 18-20
VISIT TO GEORGETOWN

Classified By: POLITICAL OFFICER JOHN EDWARD ZAK FOR REASON 1.4(D)

¶1. (U) We warmly welcome your visit to Georgetown. You are arriving at an important historical moment, shortly after the first peaceful elections in nearly a decade. In the run-up to elections and during the victory celebrations, President Jagdeo promised to widen political dialogue and to push through crucial election, governmental, and broadcasting reforms. As election fever subsides and Georgetown settles down to business as usual, your visit can be a timely reminder for Jagdeo to follow through on his commitments.

¶2. (U) In the August 28 elections, Jagdeo's ruling People's Progressive Party (PPP) won 55% of the vote, increasing its existing majority of seats in the National Assembly to 36. The opposition People's National Congress Reform lost ground, however, winning only 22 seats. The upstart Alliance For Change (AFC) won 8 seats, with the two remaining seats going to minor parties. As in the past, Guyanese voted largely along ethnic lines, with Indo-Guyanese supporting the PPP, and the minority Afro-Guyanese choosing the PNCR. The AFC had some success with its campaign against ethnically based politics.

KEY ISSUES: POLITICAL DIALOGUE & LOCAL ELECTIONS

¶3. (C) In his inaugural address, President Jagdeo highlighted the need to open up dialogue between the PPP and opposition parties - an agenda that had been continuously encouraged by the donor communities throughout the national elections. The government got off to a bad start, however, when Jagdeo announced a commencement date for Parliament beyond the constitutionally mandated time and further named his Ministerial Cabinet in a constitutionally questionable manner. While the Guyana High Court eventually upheld each move, Jagdeo's lack of dialogue with the opposition parties regarding these issues shows that he may not be fully committed to the spirit of cooperation that he announced.

¶4. (C) The Government's abuse of state-controlled media marred the fairness of the 2006 national and regional elections. The PPP's use of the only licensed radio station, one of the nation's leading newspapers, and the government owned television station, gave them an unfair advantage in media exposure. Ending the government monopoly on radio and regularizing television broadcasting was one of the top items on Cheddi Jagan's manifesto in 1992 and has been repeatedly cited as a priority by President Jagdeo. Several versions of

a comprehensive Broadcast Bill have been tabled and forgotten in Parliament over the last 14 years. We and the other major donors (U.K., Canada, and E.U.) have targeted this issue.

15. (U) Local government elections, last held in 1994, were constitutionally due in 1999. Both the government and the opposition parties have been discussing the need to move forward with local government elections. The main issue revolves around whether much needed reforms to the electoral system should be implemented before or after the local government elections.

16. (C) The GoG will be sure to bring up U.S. assistance for anti-narcotics measures, including a pending DEA presence in-country. Guyana is a transshipment point for cocaine destined for North America, Europe, and the Caribbean - it is estimated that narco-traffickers earn US \$150 million annually. We have been working with the GoG to establish a vetted DEA unit in Guyana - current plans have stalled, however, over a number of issues. While Post has provided recent funding for anti-narcotics training, as well as a fast-boat for interception of drugs on Guyana's waters, GoG forces have not made any significant drug trafficking arrests this year, nor has the GoG responded to five outstanding extradition requests.

17. (U) A large IDB loan was approved in June providing more than US \$15 million dollars for judicial reform. Included in this loan are provisions for necessary reforms of both the Guyana Defense Force and the Guyana Police Force. The U.K. has also initiated a program utilizing its own law enforcement personnel for both reform and training of the Guyana Police Force.

18. (SBU) GoG officials may also ask about the status of the Millennium Challenge Corporation's review of Guyana's proposed Threshold Plan. Guyana has submitted a proposal for US \$11 million to address failing scores in the fiscal deficit indicator. MCC staff are reviewing Guyana's proposal, and a decision memo may go before the MCC Investment Committee in the next week or two.

19. (C) President Jagdeo prides himself on his ability to obtain debt relief for Guyana. Over the last five years, he claims to have negotiated approximately US \$900 million in debt reduction from the donor community, IMF, and World Bank. He will lobby for relief from the remaining US \$470 million owed to the IDB. Most major donors feel that forgiving the debt before Jagdeo undertakes serious reform measures would send the wrong signal.

10. (U) You will meet individually with President Bharrat Jagdeo, Presidential Secretariat Roger Luncheon, and Foreign Minister Rudy Insanally. We will also host meetings with members of the opposition political parties, local media, and the leaders from the international donor community. We look forward to your visit.

ROBINSON